LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

200 W. Washington, Suite 301 Indianapolis, IN 46204 (317) 233-0696 http://www.in.gov/legislative

FISCAL IMPACT STATEMENT

LS 6058 NOTE PREPARED: Feb 16, 2012 BILL NUMBER: SB 12 BILL AMENDED: Jan 30, 2012

SUBJECT: Reestablishment of FSSA.

FIRST AUTHOR: Sen. Miller BILL STATUS: CR Adopted - 2nd House

FIRST SPONSOR: Rep. Clere

FUNDS AFFECTED: X GENERAL IMPACT: State

 $\begin{array}{cc} \underline{X} & DEDICATED \\ \underline{X} & FEDERAL \end{array}$

Summary of Legislation: This bill reestablishes the Office of the Secretary of Family and Social Services (FSSA) and other divisions and offices within FSSA.

The bill removes certain emergency rule-making authority previously authorized for the FSSA concerning federal programs administered by FSSA. The bill adds emergency rule-making authority for the FSSA to comply with the federal Patient Protection and Affordable Care Act. It also makes technical corrections.

(The introduced version of this bill was prepared by the Health Finance Commission.)

Effective Date: (Amended) Upon passage; July 1, 2012.

Explanation of State Expenditures: This bill will eliminate certain emergency rule-making authority that was authorized in the FY 2012-FY 2013 Budget Bill. This provision would have no fiscal impact since the bill leaves in place emergency rules promulgated to reduce certain Medicaid provider's reimbursement for the budget biennium.

The bill would authorize emergency rule-making authority in order for FSSA to comply with the federal health care reform act and will depend upon the content of any emergency rules the FSSA promulgated.

This bill will reauthorize the administrative structure of the Family and Social Services Administration as it currently exists. (Upon its statutory expiration on June 30, 2011, authority for the FSSA was extended by the Governor's executive order.) The bill legalizes and validates actions by the FSSA taken after the expiration of

SB 12+ 1

authority on June 30, 2011. The bill does not include an expiration date. The FSSA administrative offices affected are:

- (1) The Office of the Secretary of Family and Social Services.
- (2) The Office of Medicaid Policy and Planning.

The bill also reestablishes operating procedures of the division advisory councils and provisions that relate to certain powers of the directors of the following divisions:

- (1) Disability and Rehabilitative Services.
- (2) Family Resources.
- (3) Mental Health and Addiction.
- (4) Aging.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

<u>State Agencies Affected:</u> Office of the Secretary of Family and Social Services, the Division of Disability and Rehabilitative Services, the Division of Family Resources, the Division of Mental Health and Addiction, the Division of Aging, and the Office of Medicaid Policy and Planning.

Local Agencies Affected:

Information Sources: State Staffing Table; State Operating Budget Instructions - July 29, 2010.

Fiscal Analyst: Kathy Norris, 317-234-1360.

SB 12+ 2